## REMARKS

Claims 1, 3-8, and 10-22 were previously pending in the application. Claims 1, 3-8, and 10-22 are canceled, and new claims 23-49 are added herein. Assuming the entry of this amendment, claims 23-49 are now pending in the application. The Applicant hereby requests further examination and reconsideration of the application in view of the foregoing amendments and these remarks.

On 11/17/08, the Examiner participated in a telephonic interview with the Applicant's attorney Yuri Gruzdkov. The Applicant thanks the Examiner for the courtesy of that interview. In the course of the interview, the Examiner confirmed that the office action of 08/11/08 contains an inadvertent error in the grounds of rejection, which erroneously refer to Hamada (U.S. Patent No. 6,754,347, a reference relied upon in the previous office action) instead of referring to Fetkovich (U.S. Patent No. 7,151,832, a newly cited reference). The Applicant therefore corrected the office action by changing each occurrence of "Hamada" to "Fetkovich."

In paragraph 7 of the office action, the Examiner rejected claims 1, 3-8, and 10-22 under 35 U.S.C.  $\S$  103(a) as being unpatentable over Fetkovich (as corrected) in view of Norr.

Since claims 1, 3-8, and 10-22 are canceled, the rejections of those claims are now moot. Support for new claims 23-49 can be found in Applicant's specification, for example, as follows:

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Claims 23, 37, 38, 49:
                              Fig. 4; page 4, lines 1-5; page 6, lines 15-16; page 8,
                              lines 3-17; page 9, lines 3-6; page 10, lines 15-16;
                              and Fig. 2;
Claim 24:
                              page 5, lines 13-15 and 19-21;
Claims 25, 39:
                              page 10, lines 15-16;
Claims 26, 40:
                              page 5, lines 13-15 and 19-21;
Claim 27:
                             page 6, lines 13-21, and page 8, lines 8-17;
Claims 28, 41:
                              page 13, line 1;
Claims 29, 42:
                              Fig. 4 and page 11, lines 8-10;
Claims 30, 43:
                              page 13, lines 1-6;
Claim 31:
                              page 13, lines 3-6;
Claims 32, 44:
                              page 13, line 7:
Claims 33, 45:
                              Fig. 4;
Claims 34, 46:
                              page 13, lines 25-26;
Claims 35, 47:
                             claim 3: and
Claims 36 48:
                             claim 6
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Regarding the subject matter of new independent claim 23, the Applicant would like to point out that Fetkovich discloses an encryption method that operates on blocks of data (such as "slices" or "macroblocks") taken from an elementary MPEG stream (see Fetkovich's col. 4, lines 30-44), and <u>not</u> on blocks of data taken from payloads of a corresponding transport stream. Since a transport stream is generated by chopping up the elementary MPEG stream into transport packets having a fixed size, e.g., 188 bytes, it is clear that the encryption disclosed by Fetkovich is performed <u>prior to</u> the generation of transport packets. The Applicant therefore submits that Fetkovich does not teach or suggest at least the step of "selecting every n-th <u>transport packet</u> in

said stream of transport packets **for scrambling processing**" explicitly recited in claim 23 because Fetkovich's encryption method does **not** operate directly on payloads of transport packets.

For at least these reasons, the Applicant submits that independent claim 23 is allowable over the cited references. For similar reasons, the Applicant submits that independent claim 37 is also allowable over the cited references. Since claims 24-36 depend variously from claim 23, it is further submitted that those claims are allowable over the cited references as well.

The Applicant further submits that arguments similar to those advanced with respect to independent claim 23 apply to independent claims 38 and 49 and that independent claims 38 and 49 are allowable over the cited references. Since claims 39-48 depend variously from claim 38, it is submitted that those claims are also allowable over the cited references.

In view of the above amendments and remarks, the Applicant believes that the now-pending claims are in condition for allowance. Therefore, the Applicant believes that the entire application is now in condition for allowance, and early and favorable action is respectfully solicited.

## Fees

During the pendency of this application, the Commissioner for Patents is hereby authorized to charge payment of any filing fees for presentation of extra claims under 37 CFR 1.16 and any patent application processing fees under 37 CFR 1.17 or credit any overpayment to Mendelsohn & Associates, P.C. Deposit Account No. 50-0782.

The Commissioner for Patents is hereby authorized to treat any concurrent or future reply, requiring a petition for extension of time under 37 CFR § 1.136 for its timely submission, as incorporating a petition for extension of time for the appropriate length of time if not submitted with the reply.

Respectfully submitted,

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